

2018 Annual Business Survey Technology Tables Methodology

Overview

The Annual Business Survey (ABS) provides information on selected economic and demographic characteristics for businesses and business owners by sex, ethnicity, race, and veteran status. The ABS is sponsored by the National Center for Science and Engineering Statistics (NCSES) within the National Science Foundation (NSF) and conducted jointly with the U.S. Census Bureau. The ABS is designed to incorporate new content each survey year based on topics of relevance. The 2018 ABS collected select data on technology from all sampled businesses. Results of those data are provided in the 2018 ABS Technology Tables. The 2018 ABS covers reference year 2017.

Industry and Geography Classification

The industry classifications of firms are based on the 2017 North American Industry Classification System (NAICS). Firms with more than one domestic establishment are assigned a single industry classification using a hierarchal system based on industry and payroll. For tabulation, industry classification was based on administrative data for 2017. Firms with establishments operating in more than one state are counted only once in state and national totals.

Tabulation

Included are all nonfarm businesses filing Internal Revenue Service tax forms as individual proprietorships, partnerships, or any type of corporation, and with receipts of \$1,000 or more. The ABS covers firms with paid employees only. Out-of-scope firms were identified by item response or administrative data. Firms were removed from tabulation based on the following:

- Firms reporting zero employment or firms with zero employment from administrative data
- Firms reporting out of business prior to the reference year
- Nonprofit firms
- Firms reporting owned by another domestic parent company

For the tables by owner demographics, the detail may not add to the total or subgroup total because a Hispanic or Latino firm may be of any race, and because a firm could be tabulated in more than one racial group. For example, if a firm responded as both Chinese and Black majority-owned, the firm would be included in the detailed Asian and Black estimates, but would only be counted once toward the higher level estimates for all firms.

For all firms classifiable by sex, ethnicity, race, and veteran status, the details are counted based on the person(s) owning 51 percent or more of the stock or equity in the business. These estimates are tabulated by single attribute (such as female-owned). Separate estimates are counted and tabulated for firms equally owned (50 percent / 50 percent). Firms not classifiable by sex, ethnicity, race, and veteran status are counted and tabulated separately.

Data are tabulated by:

- U.S. and state
- 2- and 3-digit NAICS
- Digital share of business activity, cloud service purchases, and business technologies
- Sex, ethnicity, race, and veteran status
- Employment size of firms

Variables include:

- Number of employer firms
- Percent of employer firms (%)
- Sales, values of shipments, or revenue of employer firms (\$1,000)
- Percent of sales, values of shipments, or revenue of employer firms (%)
- Number of employees
- Percent of employees (%)
- Annual payroll (\$1,000)
- Percent of annual payroll (%)
- Corresponding relative standard error (RSE) or standard error (SE)

Data by employment size of firm are presented by the following employment size categories:

- All firms
- Firms with 1 to 9 employees
- Firms with 10 employees or more

The following symbols are used in these data tables:

- S – Withheld because estimate did not meet publication standards
- a – 0 to 19 employees
- b – 20 to 99 employees
- c – 100 to 249 employees
- e – 250 to 499 employees
- f – 500 to 999 employees
- g – 1,000 to 2,499 employees
- h – 2,500 to 4,999 employees
- i – 5,000 to 9,999 employees
- j – 10,000 to 24,999 employees
- k – 25,000 to 49,999 employees
- l – 50,000 to 99,999 employees
- m – 100,000 employees or more

Notes

The Census Bureau has reviewed this data product for unauthorized disclosure of confidential information and has approved the disclosure avoidance practices applied (Approval ID: CBDRB-FY20-008). For more information on the Annual Business Survey, including sampling and estimation methods, nonresponse, disclosure avoidance, survey questionnaire, and survey definitions, visit the ABS Methodology at <https://www.census.gov/programs-surveys/abs/technical-documentation/methodology.html>.